

**In the Matter of**

## Federal-State Joint Board on Universal Service

# Application of Sprint Corporation For Designation as an Eligible Telecommunications Carrier in the State of Georgia

CC Docket No. 96-45

**COMMENTS OF  
THE GEORGIA TELEPHONE ASSOCIATION**

The local exchange carrier (“LEC”) members of the Georgia Telephone Association (“GTA”) hereby respond to the Commission’s invitation to comment on the Petition of Sprint Corporation (“Sprint”) to be designated as an Eligible Telecommunications Carrier (“ETC”) in certain designated areas in Georgia (“Petition”).<sup>1</sup> The GTA is comprised of thirty LECs providing service throughout the state of Georgia.

This matter is before the Commission because the Georgia Public Service Commission has determined that it lacks jurisdiction to designate commercial mobile radio service (“CMRS”) carriers, as ETCs in Georgia.

## I. Introduction

Sprint has filed a petition to be designated as an ETC in areas in Georgia in the portions of its licensed service area that are served by BellSouth Telecommunications, Inc (“BellSouth”).

*See Wireline Competition Bureau Seeks Comment on Sprint Corporation's Petition for Designation as an Eligible Telecommunications Carrier in Georgia: Public Notice, DA 03-2962 (rel. Sept. 26, 2003).*

In its Petition, Sprint asserts that a grant of its Application “*will* serve the public interest.”<sup>2</sup> As demonstrated herein, however, designating Sprint as an ETC in the rural areas served by BellSouth would be contrary to the public interest.

**II. Designation Of Sprint As An ETC In the ILEC Study Areas Is Not In The Public Interest**

**A. Designating Sprint As An ETC Will Not Increase Competition**

Sprint argues that grant of its Petition will serve the public interest by creating “additional deployment of wireless facilities and services” and bring “additional competitive universal service offerings.”<sup>3</sup> Sprint has been providing CMRS within its licensed service area for years, and the BellSouth customers within Sprint’s license areas already have access to Sprint’s or other CMRS carriers’ services. Sprint obviously is not a new entrant, and deeming it “eligible” for universal service funds (“USF”) will not somehow transform its service into a new, competing service. Therefore, the benefits, whether real or not, that may potentially flow from competitive entry will not arise by designating Sprint as an ETC.

**B. Designating Sprint As An ETC Will Result In Funding Inconsistent with Universal Service Goals**

Under current rules, Sprint, if designated as an ETC, would receive USF that is based on averaged costs of the wireline LEC to serve the entire study area. The harm in this, of course, is that the ETC receives USF that is not related to its needs, costs, or any necessary and sufficient amounts of funding to fulfill some universal service objective where it provides wireless service.

---

<sup>2</sup> Petition at 10 (emphasis in the original).

<sup>3</sup> *Id.*

Whether this is called cream skimming, arbitrage, gaming, or something else, the result is an assault on the public interest goals. USF is aimed at defraying the costs of maintaining a network to make service universally available within a study area; it should not be redirected to any other purpose. To direct USF funding to carriers in a manner not related to need or costs only weakens the program to the detriment of the overall goals.

### **III. Proposed Rule Changes Could Alter The Outcome Of This Proceeding**

Proposed changes to the USF mechanism and the qualifications for designation as an ETC could affect the outcome of this proceeding.<sup>4</sup> Of greatest concern to the GTA are proposals that would reduce the amount of USF that its member companies would receive when additional ETCs are designated in their study areas. Such potential changes, especially in conjunction with the loss of access revenues that the member companies are already experiencing as a result of customers using their mobile phones for toll calls, would be detrimental to the continued provision of universal service in rural areas and the continued commitment to further capital investment supporting the provision of advanced services.

CMRS carriers present a particular concern in this regard because wireless customers generally have both a wireline and a wireless phone. USF is aimed at defraying the costs of the network. The costs of those networks do not change appreciably with the advent of another

---

<sup>4</sup> See, e.g., *In the Matter of Federal-State Joint Board on Universal Service, Order and Order on Reconsideration*, CC Docket No. 96-45, FCC 03-170 at paras. 33-34 (rel. July 14, 2003) (“*Order*”) (Commission determining to consider the equal access issue as part of the portability proceeding and recognizing “that any grant of competitive ETC status pending completion of that proceeding will be subject to whatever rules are established in the future”); *id.*, *Statement of Commissioner Michael J. Copps* (“I remain concerned that competitive eligible telecommunications carriers not offering equal access may deprive rural consumers of choice, quality and the full benefits of competition”); *id.*, *Statement of Commissioner Kevin J. Martin* (“I support inclusion of equal access in the list of supported services”).

ETC. Accordingly, ILECs that serve rural areas could find themselves losing USF while still being required to maintain a network to serve all potential customers.<sup>5</sup>

#### IV. SUMMARY

Designating Sprint as an ETC in BellSouth's study areas is not in the public interest. Such designation will not bring to consumers the benefits that Sprint claims. Accordingly, Sprint's Petition should be denied.

Respectfully submitted,

THE GEORGIA TELEPHONE ASSOCIATION

By: John P. Silk  
John P. Silk  
Executive Vice President

November 6, 2003

---

<sup>5</sup> See, Order, Joint Statement of Commissioners Kathleen Q. Abernathy and Jonathan S. Adelstein at 2 ("We must ensure that companies that have traditionally invested in infrastructure to serve rural and high cost areas are not subject to a framework that unintentionally undercuts their ability to perform their critical universal service function").

CERTIFICATE OF SERVICE

I, Ka Triska Orville do hereby certify that on this 6<sup>th</sup> day of November 2003, a copy of the foregoing "Comments of the Georgia Telephone Association" in CC Docket No. 96-45 was filed with the FCC via its electronic comment filing system and served, by first class, U.S. mail, postage prepaid or by hand delivery to the following parties:

  
Ka Triska Orville

Chairman Michael Powell \*  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Commissioner Michael J. Copps \*  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Commissioner Kathleen Abernathy \*  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Commissioner Kevin Martin \*  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Commissioner Jonathan S. Adelstein \*  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Sheryl Todd \*  
Telecommunications Access Policy  
Division  
Wireline Competition Bureau  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW, Room 5-B540  
Washington, DC 20554

Qualex International \*  
445 12<sup>th</sup> Street, SW  
Room CY-B402  
Washington, DC 20554

\* via hand delivery

Roger C. Sherman  
Senior Attorney, PCS Regulatory Affairs  
Sprint Corporation  
401 Ninth St., NW, Suite 400  
Washington, DC 20004

Robert B. Baker, Jr. Chairman  
Georgia Public Service Commission  
244 Washington Street, S.W.  
Atlanta, Georgia 30334

David L. Burgess, Commissioner  
Georgia Public Service Commission  
244 Washington Street, S.W.  
Atlanta, Georgia 30334

H. Doug Everett, Commissioner  
Georgia Public Service Commission  
244 Washington Street, S.W.  
Atlanta, Georgia 30334

Angela E. Speir, Commissioner  
Georgia Public Service Commission  
244 Washington Street, S.W.  
Atlanta, Georgia 30334

Stan Wise, Commissioner  
Georgia Public Service Commission  
244 Washington Street, S.W.  
Atlanta, Georgia 30334

Leon Bowles, Director Telecommunications  
Georgia Public Service Commission  
244 Washington Street, S.W.  
Atlanta, Georgia 30334

Tom Bond, Director Utilities Division  
Georgia Public Service Commission  
244 Washington Street, S.W.  
Atlanta, Georgia 30334